GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:5042
ANSWERED ON:26.08.2010
VARIATION IN PRICES OF MEDICINES
Dubey Shri Nishikant

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the prices/cost of the same brand of medicines and drugs varies in various parts of the country;

(b) if so, the details thereof indicating the reasons therefor and number of such cases brought to the notice of the Government during each of the last three years and the current year;

(c) the names of important life saving medicines/drugs which falls under the Government Pricing Control Mechanism;

(d) whether the Government has reviewed the existing pricing control mechanism in the recent past;

(e) if so, the outcome thereof and follow-up action taken in this regard; and

(f) the specific measures/ steps taken/propose to initiate to keep prices of life saving and other medicines under control?

Answer

MINISTER OF STATE IN THE M INIS TRY OF CHEMICALS AND FERTILIZERS(SHRI SRIKANT KUMAR JENA)

(a) & (b) No such cases have come to the notice of the National Pharmaceutical Pricing Authority (NPPA) in respect of variation in the prices/cost of same brand drug/medicines in various parts of the country. Ceiling price of scheduled formulations fixed by NPPA without excise duty and taxes under Para 9 of the Drugs (Prices Control) Order, 1995 (DPCO, 1995) are uniformly applicable to all manufacturers across the country. Non-ceiling price fixed by NPPA for specific company / product / brand without excise duty and taxes is also not subject to change in different States and it remains same across the country.

(c) Life saving medicines have not been defined in the DPCO, 1995. Under the provisions of the DPCO, 1995 the prices of 74 bulk drugs, as listed in Schedule I of the said Order, and formulations containing any of these scheduled drugs are controlled. The list of 74 scheduled drugs is available in the NPPA website www.nppaindia.nic.in.

(d) & (e) No Sir.

(f) NPPA fixes or revises prices of scheduled drugs / formulations as per the provisions of the DPCO, 1995. The NPPA monitors the prices of all formulations including imported scheduled formulations under price control. As per the provisions of the DPCO, 1995 no person can sell any formulation (medicine) of price controlled category to a consumer at a price exceeding the price notified/ approved by the NPPA. In case, a company is found selling at prices higher than the price notified/ approved by the NPPA action is taken against them as per the provisions of the DPCO, 1995.

In respect of drugs - not covered under the DPCO, 1995, i.e. non-scheduled drugs, manufacturers fix the prices themselves without seeking the approval of NPPA. However, as a part of price monitoring activity, NPPA regularly examines movement of prices of non-scheduled formulations, for which monthly reports of ORG IMS and information furnished by individual manufacturers are utilized. Wherever a price increase beyond 10% per annum is noticed, the manufacturer is asked to bring down the price voluntarily failing which, subject to prescribed conditions, action is initiated under paragraph 10(b) of the DPCO, 1995 for fixing the price of the formulation in public interest.

The Draft National Pharmaceutical Policy 2006 which is under consideration of the Government proposes to include essential drugs as contained in the National List of Essential Medicines (NLEM) 2003 under price control.